

**STATE FIRE AND TORNADO FUND
INVESTMENT PERFORMANCE REPORT AS OF OCTOBER 31, 2002**

	October-02				September-02				Current Fiscal YTD	Prior Year FY02	3 Years Ended 6/30/2002	5 Years Ended 6/30/2002
	Allocation				Allocation							
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Quarter Net ROR	Net	Net	Net	Net
LARGE CAP DOMESTIC EQUITY												
<i>Structured Growth</i>												
<i>AllianceBernstein</i>	295,581	2.0%	2.3%	7.96%	273,722	1.9%	2.3%	-13.54%	-6.66%	-28.65%	-16.80%	N/A
<i>Russell 1000 Growth</i>				9.17%				-15.05%	-7.26%	-26.49%	-16.15%	N/A
<i>Structured Value</i>												
<i>LSV</i>	305,057	2.0%	2.3%	2.74%	296,626	2.1%	2.3%	-18.60%	-16.37%	2.41%	5.40%	N/A
<i>Russell 1000 Value</i>				7.41%				-18.77%	-12.75%	-8.96%	-2.92%	N/A
<i>S&P 500 Index</i>												
<i>State Street</i>	1,476,763	9.8%	10.5%	8.80%	1,357,318	9.5%	10.5%	-17.26%	-9.98%	-18.03%	-9.27%	3.58%
<i>S&P 500</i>				8.80%				-17.28%	-10.00%	-17.99%	-9.18%	3.67%
TOTAL LARGE CAP DOMESTIC EQUITY	2,077,401	13.8%	15.0%	7.74%	1,927,666	13.5%	15.0%	-16.96%	-10.53%	-16.89%	-8.30%	3.74%
<i>S&P 500</i>				8.80%				-17.28%	-10.00%	-17.99%	-9.18%	3.67%
SMALL CAP DOMESTIC EQUITY												
<i>Manager-of-Managers</i>												
<i>SEI</i>	695,074	4.6%	5.0%	2.46%	678,217	4.8%	5.0%	-19.31%	-17.33%	-11.77%	N/A	N/A
<i>Russell 2000 + 200bp</i>				3.38%				-20.97%	-18.30%	-7.96%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	695,074	4.6%	5.0%	2.46%	678,217	4.8%	5.0%	-19.31%	-17.33%	-11.69%	2.22%	4.32%
<i>Russell 2000</i>				3.21%				-21.40%	-18.87%	-8.59%	1.67%	4.44%
CONVERTIBLES												
<i>TCW</i>	1,452,655	9.7%	10.0%	3.51%	1,413,223	9.9%	10.0%	-10.05%	-6.89%	-20.37%	-2.22%	N/A
<i>First Boston Convertible Index</i>				2.85%				-8.47%	-5.86%	-12.44%	0.11%	N/A
INTERNATIONAL EQUITY												
<i>Large Cap - Active</i>												
<i>Capital Guardian</i>	1,405,536	9.4%	10.0%	8.75%	1,292,928	9.1%	10.0%	-20.58%	-13.63%	-12.10%	-2.96%	2.87%
<i>MSCI EAFE - 50% Hedged</i>				5.40%				-20.02%	-15.70%	-14.62%	-7.32%	-1.89%
DOMESTIC FIXED INCOME												
<i>Core Bond</i>												
<i>Western Asset</i>	3,826,720	25.5%	25.0%	-0.89%	3,856,184	27.0%	25.0%	3.51%	2.59%	8.36%	8.53%	7.80%
<i>Lehman Aggregate</i>				-0.46%				4.58%	4.10%	8.62%	8.10%	7.57%
<i>Index</i>												
<i>Bank of ND</i>	2,139,351	14.2%	15.0%	-0.96%	2,160,079	15.1%	15.0%	5.96%	4.93%	8.38%	7.79%	7.42%
<i>Bank of ND CD'S</i>	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	5.04%	5.55%	5.48%
Total Index	2,139,351	14.2%	15.0%	-0.96%	2,160,079	15.1%	15.0%	5.96%	4.93%	8.14%	7.66%	7.30%
<i>Lehman Gov/Corp</i>				-0.96%				5.70%	4.68%	8.24%	7.86%	7.47%
<i>BBB Average Quality</i>												
Strong	1,514,981	10.1%	10.0%	-0.62%	1,528,897	10.7%	10.0%	3.08%	2.44%	N/A	N/A	N/A
<i>Lehman US Credit BAA</i>				-1.18%				2.70%	1.49%	N/A	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	7,481,053	49.8%	50.0%	-0.85%	7,545,160	52.9%	50.0%	4.11%	2.67%	7.55%	7.88%	7.42%
<i>Lehman Gov/Corp</i>				-0.96%				5.70%	4.68%	8.24%	7.86%	7.47%
CASH EQUIVALENTS												
<i>Bank of ND</i>	1,906,925	12.7%	10.0%	0.15%	1,406,182	9.9%	10.0%	0.48%	0.63%	2.41%	4.76%	4.99%
<i>90 Day T-Bill</i>				0.15%				0.45%	0.60%	2.63%	4.68%	4.84%
TOTAL FIRE & TORNADO FUND	15,018,643	100.00%	100.00%	1.87%	14,263,375	100.00%	100.00%	-4.65%	-2.87%	-2.37%	3.05%	6.30%
POLICY TARGET BENCHMARK				1.84%				-3.96%	-2.19%	-1.42%	2.75%	5.72%

NOTE: Monthly returns and market values are preliminary and subject to change.